



Beige Book 101

February 14, 2024

What is the Beige Book?

The Beige Book is a report that offers a snapshot of economic developments in each of the Fed's 12 regional Reserve Bank Districts. Each District compiles an individual report based on various perspectives from its region, summarizing information collected across industries, communities and businesses. The information collected for each District's report comes from the many inputs Federal Open Market Committee (FOMC) participants use to understand current economic conditions when making monetary policy decisions, including commentary from boards of directors, advisory councils, round table discussions, surveys and various other outreach tools. The Beige Book's official title is "The Summary of Commentary on Current Economic Conditions by Federal Reserve District."

What information do we collect?

Every Reserve Bank District collects information on various topics relevant to their regional economies and provides a summary of developments in regional labor markets and on price inflation. Regional Reserve Banks also report on specific industries and communities that have significant economic footprints in their region.

The Kansas City Fed section of the Beige Book covers nine topics: labor markets; prices; consumer spending; community conditions; manufacturing and other business activity; real estate and construction; community and regional banking; energy; and agriculture.

- **Labor markets:** Contains information about changes in regional employment conditions, such as hiring and wages, highlighting developments from different industries and expectations about future job growth.
- **Prices:** Characterizes changes in the prices consumers pay as well as price changes businesses face for their inputs and raw materials (e.g., steel, oil, corn, grain and lumber). Assesses the pass-through of production costs to customers and expectations about price pressures.
- **Consumer spending:** Discusses changes in purchases of goods and services at retail stores, car dealers, hotels, attractions, restaurants, etc. Describes factors that drive household spending activity.
- **Community conditions:** Highlights developments that affect housing affordability, workforce development, economic mobility, financing for small businesses and business owners from underrepresented groups, and technology access issues.

such as broadband internet.

- **Manufacturing and other business activity:** Summarizes changes in activity at both manufacturing and service-providing businesses. This section also highlights changes in business plans and capital investment spending.
- **Real estate and construction:** Reviews developments in conditions for both residential and commercial real estate markets. Reflects changes in ongoing activities - such as construction, home sales or commercial leasing activity - as well as changes that affect future plans - such as commercial land development and financing conditions.
- **Community and regional banking:** Discusses loan demand among the Kansas City Fed District's community and regional banking organizations, looking across loan types like commercial, industrial and residential mortgage. It also discusses credit conditions and risks, assessing people and businesses ability to pay back loans.
- **Energy:** Summarizes changes in activity and employment in traditional energy and mining sectors, as well as renewable energy investment across the region.
- **Agriculture:** Addresses growing conditions for crop production and for livestock. Commentary focuses on changes in the price of grain commodities, farm incomes, farmland values and agricultural credit conditions.

How do we collect information for the Beige Book?

Each regional Reserve Bank District differs in how they collect information. The Kansas City Fed connects to the region in a variety of ways, leveraging its local connections from the Kansas City head office and its branch offices in Denver, Oklahoma City and Omaha. Information is gathered from reports by boards of directors (which have diverse backgrounds and perspectives), advisory councils (which range in focus from broad economic conditions to community development to banking conditions), interviews with key business contacts, community leaders, or market experts, as well as other regular sources like surveys (which ask both standard questions and special questions relevant to emerging trends).

Overall, each version of the Beige Book is an evaluation of changes to the current state of the regional economy compared to the previous Beige Book cycle.

Why does the Beige Book matter to the Fed?

The Beige Book provides a more detailed “on the ground” and regional perspective of economic developments. When making monetary policy decisions, the Federal Reserve collects information about the economy throughout the country from regional Reserve Bank Presidents. Similarly, the Beige Book summarizes regional developments that can be part of the national economic dialogue.

Why does the Beige Book matter to you?

It shows the everyday person that their voice is being heard and is included in the larger monetary policy discussion. The Fed is collecting data from individual states and regions rather than solely using national data. When the FOMC decides on monetary policy, they are considering the unique circumstances in your region as the various policies will affect each region differently. Overall, the Beige Book summarizes the distinct economic developments in various parts of the country.

Who writes the Beige Book?

All 12 regional Reserve Bank Districts are involved in the production of their Beige Book report, which is compiled into a single publication.

Where is the Beige Book published?

The Beige Book is published on the Board of Governors external [website](#). The Federal Reserve Bank of Kansas City also publishes its section on its own external [website](#).

When is the Beige Book published?

The Beige Book is published eight times per year, generally posted two weeks before the FOMC meetings (January, March, April, June, July, September, October, December).
